

## 2020 COMMUTING REIMBURSEMENT RATE

Every individual who uses a State-owned passenger motor vehicle, pickup truck, or van to drive between the individual's official workstation and his or her home shall reimburse the State for these trips at a rate computed by Motor Fleet Management (MFM). Reimbursement shall be for 20 days per month regardless of how many days the individual uses the vehicle to commute during the month.

Reimbursement shall be made by payroll deduction. G.S.143-341(8)i.7a.

MFM computes commuter reimbursement rates following IRS Publication 15-B rules for commuter benefits and has adopted the IRS "Commuting Rule" and "Cents-Per-Mile Rule". The Commuting Rule is the standard rule applicable to all individuals, except control employees. A control employee is either a government employee whose compensation is equal to or exceeds Federal Government Executive Level V (currently \$156,000) or an elected official. A control employee shall use the Cents-Per-Mile Rule.

### COMMUTING RULE\*

The reimbursement amount is computed by multiplying each one-way commute (that is, from home to work or from work to home) by \$1.50. If more than one employee commutes in the vehicle, this value applies to each employee.

Example:

Individual daily commute:

From home to work	\$1.50
From work to home	<u>\$1.50</u>
Daily reimbursement:	\$3.00 per day X 20 statutory days = <b>\$60.00</b>
<b>Monthly payroll deduction = \$60.00</b>	

\*An individual whose annual salary is equal to or greater than \$156,000 or who is an elected official may not use the Commuting Rule.

### CENTS-PER-MILE RULE

(Elected officials and employees whose compensation is equal to or exceeds \$156,000)

Individuals who are elected to office or whose annual salary is equal to or greater than \$156,000 shall reimburse the State based on the Cents-Per-Mile Rule stated in IRS Publication 15-B. Under this rule, the value of a vehicle for personal use is determined by multiplying the standard mileage rate by the total miles the individual drives the vehicle for personal purposes. For 2020, the IRS standard mileage rate for an individual's personal use of a State-owned vehicle is 57.5 cents per mile.

Example:

Individual daily commute:

From home to work	14 miles
From work to home	<u>14 miles</u>
Reimbursement:	28 miles X .575 = \$16.10 per day X 20 statutory days = <b>\$322.00</b>
<b>Monthly payroll deduction = \$322.00</b>	